



## COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400  
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998  
Telephone: (562) 699-7411, FAX: (562) 699-5422  
www.lacsd.org

GRACE ROBINSON CHAN  
Chief Engineer and General Manager

May 31, 2012

File: 31-150.13.10

Board of Directors  
County Sanitation District No. 27  
of Los Angeles County

Directors:

The consolidated agenda includes the following items for the regular meeting of the Board of Directors of the District meeting Tuesday, June 12, 2012.

1. Minutes. Copies of the minutes have been provided to each of the Directors.
2. Departmental Invoices. A departmental invoice is an internal document that transfers each District's proportionate share of expenditures made by District No. 2, the administrative District, on behalf of the participating Districts in accordance with authority granted through joint agreements. During the month, charges are made to a clearing account which is administered by District No. 2 and then are distributed at month end according to said agreements.
3. Comprehensive Financial Annual Report (3). Copies of the District's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011, which includes the annual audit required by state and federal laws, have been previously mailed to the Directors.
4. Appropriations Limits (3). As amended in 1979, the Constitution of the State of California, places a constitutional limit on the authorization to expend the proceeds of taxes levied by state and local government in California. In January 1981, the Government Code was amended to require the governing body for each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year. The appropriations limit for fiscal year 2012-13 has been determined by adjusting the previous limit for fiscal year 2011-12, based upon change factors for service area population increases and the change in the California Personal Per Capita Income. The appropriations limit has also been adjusted to include the increased costs of complying with federal requirements (mandated costs). This is in accordance with the procedures outlined in Article XIII B and Section 7910 of the California Government Code. The calculations are shown in Exhibit No. 1.
- 5., 6., 7. Wastewater Budget Matters for Fiscal Year 2012-13 (3). Attached is a copy of the proposed budget for fiscal year 2012-13 with a breakdown of the items included in the sewerage system budget. The budget has been prepared to show necessary expenditures for the fiscal year July 1, 2012 to June 30, 2013 and cash flow requirements for the following six-month period until future income becomes available. Budget resources for District No. 27 include cash on hand, bond proceeds, interest, and a pro rata share of ad valorem tax. The sewerage system budget has been prepared in accordance with the Joint Administration Agreement. In the case of Districts that contract with the City of Los Angeles for sewerage service (District No. 27), the Joint Administration Agreement states that these Districts are to pay one one-hundredth of one percent of all joint expenses. District No. 27 currently owns and operates trunk sewers and a pumping plant within the District. However, the District does not own or operate any treatment and disposal facilities. The District contracts for these services with the City of Los Angeles. The District's staff has no direct control over the City of Los Angeles' costs. Thus, the portion of the proposed budget attributable to disposal O&M and capital is a direct reflection of the City of Los Angeles' operation and maintenance costs. The local sewer O&M cost reflects the cost of operating and maintaining the District's local pumping plant. However, construction of a gravity sewer that will eliminate the need for the pumping plant began in fiscal year 2011-12 and will be complete in fiscal year 2012-13. The total cost of the project is approximately \$1.4 million, with \$900,000 to be spent in fiscal



year 2012-13. It will be funded by a combination of available bond proceeds and rate stabilization funds. Once the gravity sewer is completed, the elimination of the pumping plant will significantly reduce local sewer O&M cost.

Very truly yours,



Grace Robinson Chan

GRC:rza

Enclosures

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 27

To be held in the HEARING ROOM  
OF THE BOARD OF SUPERVISORS  
Kenneth Hahn Hall of Administration, Los Angeles, California

TUESDAY		June 12, 2012		At 9:30 A.M.
ANTONOVICH	KNABE	YAROSLAVSKY (Chairperson)	MOLINA	RIDLEY-THOMAS

---

1. Recommendation: Approve minutes of the regular meeting held March 13, 2012.
2. Recommendation: Approve departmental invoices as follows:

	<u>February 2012</u>	<u>March 2012</u>	<u>April 2012</u>
District No. 27 (3)	\$13,487.23	\$12,980.23	\$10,158.92
3. Recommendation: Receive and order filed the Comprehensive Annual Financial Report for the fiscal year 2010-2011.
4. Recommendation: Establish Appropriations Limit for Fiscal Year 2012-13 as Required by California Government Code Section 7910 Utilizing the Population Change within Los Angeles County at \$726,545.
5. Recommendation: Adopt Operating Fund Budget for Fiscal Year 2012-13.
6. Recommendation: Adopt Resolution Requesting Tax Levy for Operating Fund at \$247,000.
7. Recommendation: Authorize Appropriations in the Operating Fund per Budget.

Adjourn

COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY  
**DEPARTMENTAL INVOICE**  
FOR THE MONTH ENDED 2/29/2012

To: County Sanitation District No. 27  
(Org. Receiving Services)

Date Service Accrued: February 29, 2012

From: County Sanitation District No. 2  
(Org. Providing Services)

Date Prepared: March 19, 2012

---

DESCRIPTION

District No. 27 share of expenditures made by District No. 2, the administrative District, in accordance with the authority granted through the approved annual budget and applicable Joint Powers Agreement:

DEBIT:

Operation & Maintenance	\$ 4,466.22
Joint Administration - Capital	2.53
Local - Capital	9,018.48

Total of all charges	<u>\$ 13,487.23</u>
----------------------	---------------------

Recap 32

Document No. 483

Date Board Approved: \_\_\_\_\_

COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY  
**DEPARTMENTAL INVOICE**  
FOR THE MONTH ENDED 3/31/2012

To: County Sanitation District No. 27  
(Org. Receiving Services)

Date Service Accrued: March 31, 2012

From: County Sanitation District No. 2  
(Org. Providing Services)

Date Prepared: April 18, 2012

---

DESCRIPTION

District No. 27 share of expenditures made by District No. 2, the administrative District, in accordance with the authority granted through the approved annual budget and applicable Joint Powers Agreement:

DEBIT:

Operation & Maintenance	\$ 5,092.85
Joint Administration - Capital	15.82
Local - Capital	7,871.56

Total of all charges	<u>\$ 12,980.23</u>
----------------------	---------------------

Recap 36

Document No. 521

Date Board Approved: \_\_\_\_\_

COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY  
**DEPARTMENTAL INVOICE**  
FOR THE MONTH ENDED 4/30/2012

To: County Sanitation District No. 27  
(Org. Receiving Services)

Date Service Accrued: April 30, 2012

From: County Sanitation District No. 2  
(Org. Providing Services)

Date Prepared: May 16, 2012

---

DESCRIPTION

District No. 27 share of expenditures made by District No. 2, the administrative District, in accordance with the authority granted through the approved annual budget and applicable Joint Powers Agreement:

DEBIT:

Operation & Maintenance	\$ 4,368.88
Joint Administration - Capital	3.66
Local - Capital	5,786.38

Total of all charges	<u>\$ 10,158.92</u>
----------------------	---------------------

Recap 40

Document No. 559

Date Board Approved: \_\_\_\_\_

**SUMMARY OF 2012-13 APPROPRIATIONS LIMIT FOR SANITATION DISTRICT NO. 27**

DISTRICT NUMBER	2011-12 APPRO. LMT. EXCLUDING MANDATED COSTS	POPULATION CHANGE FACTOR	APPRO. LMT.* CHANGE FACTOR	2012-13 APPRO. LMT. EXCLUDING MANDATED COSTS	2012-13 MANDATED COSTS	2012-13 APPRO. LMT. INCLUDING MANDATED COSTS	ESTIMATED AD VALOREM TAX REVENUES	DISTRICT NUMBER
27	\$ 673,850	1.00380	1.0416	\$ 701,912	\$ 24,634	\$ 726,545	\$ 247,000	27

\* This column represents the net change resulting from the percent change in population and the percent change in Per Capita Income of 3.77%, and for illustrative purposes is rounded to the fourth significant digit.

**COUNTY SANITATION DISTRICT NO. 27 OF LOS ANGELES COUNTY  
SEWERAGE SYSTEM FINAL BUDGET FOR 2012-13**

**REQUIREMENTS FOR FISCAL YEAR  
JULY 1 THROUGH JUNE 30:**

**APPROPRIATION:**

O&M - Joint Administration	\$ 2,000
O&M - Technical Services	3,000
O&M - Contract Disposal	81,000
O&M - Local District Sewers	74,000
Capital - Joint Administration	1,000
Capital - Local Capital	1,300,000
Capital - Disposal to City of Los Angeles	44,000
Bond Repayment	66,000
Contingency for Emergency	<u>10,000</u>
	\$ 1,581,000

CASH FLOW REQUIREMENT (for period JULY 1 THROUGH DECEMBER 31)	<u>83,000</u>
--	---------------

TOTAL BUDGET:	\$ 1,664,000
---------------	--------------

**ESTIMATED CASH AND REVENUE:**

Cash on Hand July 1	\$ 975,000
Taxes	247,000
Transfer of Bond Proceeds	264,000
Interest	18,000
Transfer from Rate Stabilization Fund	<u>160,000</u>
TOTAL RESOURCES:	\$ 1,664,000



**COUNTY SANITATION DISTRICT NO. 27 OF LOS ANGELES COUNTY**  
**JULY 1, 2012 THROUGH JUNE 30, 2013**

**PROPOSED CAPITAL PROJECTS**

JOINT ADMINISTRATION:		\$	1,000
LOCAL:			
1. District 27 Gravity Sewer	\$	<u>1,300,000</u>	
		\$	1,300,000
DISPOSAL TO CITY OF LOS ANGELES:			<u>44,000</u>
TOTAL PROPOSED CAPITAL PROJECTS:		\$	1,345,000

**BOND FUND**

Beginning Balance	\$	263,000
Interest		1,000
Expenses		<u>(264,000)</u>
Ending Balance	\$	-

**RATE STABILIZATION FUND**

Beginning Balance	\$	557,000
Interest		9,000
Expenses		<u>(160,000)</u>
Ending Balance	\$	406,000